From Kyoto to Bali with UN REDD and REDD+: Will both save Indonesian tropical rainforest and contribute to reduction of GHG emission?

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Presentation Outline

• The Kyoto Protocol and Carbon Trading
• Forest as an important source of GHGs
• What are REDD and REDD+?
• Indonesian tropical rainforest and REDD/REDD+
• What happens so far and to do next?
The Kyoto Protocol: Background

• The 1992 Earth Summit in Rio de Janeiro, Brazil, created international bodies on climate change and biodiversity:
  ✓ the UN Framework Convention on Climate Change (UNFCCC) and
  ✓ the UN Convention on Biological Diversity (UNCBD) which officially began in 1994.
• The UNFCCC adopted the Kyoto Protocol at the third Conference of the Parties (COP) in 1997
• The Kyoto Protocol set the target of reducing emissions by a minimum of 5.2% below 1990 greenhouse gas (GHG) levels within a five-year timeframe (2008-2012)
• The Process of the Kyoto Protocol is achieved through the Conference of the Parties (COP), the supreme decision making body of the convention, and Conference of the Parties Serving as the Meeting of the Parties (CMP), the supreme body of the convention
The Kyoto Protocol: About

• The Kyoto Protocol (KP) was adopted in Kyoto, Japan, on 11 December 1997. Due to a complex ratification process, it entered into force on 16 February 2005.

• KP sets binding emission reduction targets for 37 industrialized countries and the European community in its first commitment period. Overall, these targets add up to an average five per cent emissions reduction compared to 1990 levels over the five-year period 2008 to 2012 (the first commitment period).

• KP only binds developed countries because it recognizes that they are largely responsible for the current high levels of GHG emissions in the atmosphere, which are the result of more than 150 years of industrial activity (its central principle, “common but differentiated responsibility”).

• Regulated GHG: CO2 (carbon dioxide), CH4 (methane), N2O (nitrous oxide), PFCs (perfluorocarbons), HFCs (hydrofluorocarbons), SF6 (sulphur hexafluoride)

• In Doha, Qatar, on 8 December 2012, the Doha Amendment to the Kyoto Protocol was adopted. This launched a second commitment period, starting on 1 January 2013 until 2020.
The Kyoto Protocol: Parties

Annex I Parties include the industrialized nations that were members of the Organisation for Economic Co-operation and Development (OECD) as of 1992 and nations with economies in transition (EIT). EIT parties include Russia and many nations in eastern and central Europe. There are 43 Annex I Parties, including the U.S.

Annex II Parties consist of the OECD countries but none of the EIT Parties. Significantly, these countries are required to provide financial resources to developing countries so that they may be able to limit greenhouse gas emissions, themselves, and adapt to the effects of climate change. Furthermore, these countries must help develop and transfer new energy technologies to EIT Parties and the developing countries. There are 24 Annex II Parties, again including the U.S.

Non-Annex Parties include all other countries. These are generally developing nations the UN believes are the most vulnerable to the effects of climate change, including those countries that heavily rely on fossil fuels and may be negatively impacted economically if forced to limit emissions.
The Kyoto Protocol: Three Mechanisms

• Emissions trading (Article 17)
  ✓ Countries with commitments under the Kyoto Protocol can acquire emission units from other countries with commitments under the Protocol and use them to meet a part of their Kyoto targets: **Cup-and-Trade**

• Joint Implementation (JI) (Article 6)
  ✓ A country with an emission reduction or limitation commitment under the Kyoto Protocol may take part in an emission reduction (or emission removal) project in any other country with a commitment under the Protocol, and count the resulting emission units towards meeting its Kyoto target.
  ✓ The JI generates **offset** credits located in a country that has a Kyoto target

• Clean Development Mechanism (CDM)
  ✓ Countries with commitments under the Kyoto Protocol can acquire emission units from other countries with commitments under the Protocol and use them to meet a part of their Kyoto targets.
  ✓ The CDM generates **offset** credits in a country without an emissions target under the Kyoto Protocol.
The Kyoto Protocol: Timeline and Important Events

The Bali Action Plan calls for:

- Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries (REDD); and (1) the role of conservation, (2) sustainable management of forest and (3) enhancement of carbon forest stocks in developing countries (Decision 1/CP.13, Par 1(b)(iii))
From Kyoto to Bali and Beyond: Evolution of REDD and REDD+

http://theredddesk.org/what-redd

<table>
<thead>
<tr>
<th>COP</th>
<th>Year</th>
<th>Location</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>COP-3</td>
<td>1997</td>
<td>Kyoto</td>
<td>Kyoto Protocol</td>
</tr>
<tr>
<td>COP-7</td>
<td>2001</td>
<td>Marakesh</td>
<td>the Marakesh Accords</td>
</tr>
<tr>
<td>COP-11</td>
<td>2005</td>
<td>Montreal</td>
<td>agreed to initiate consideration of the issue at the twenty-fourth SBSTA session in Bonn, May 2006</td>
</tr>
<tr>
<td>COP-13</td>
<td>2007</td>
<td>Bali</td>
<td>Bali Action Plan and RED from Developing Countries</td>
</tr>
<tr>
<td>COP-14</td>
<td>2008</td>
<td>Poznan</td>
<td>equal emphasis as deforestation and forest degradation, the early progression of REDD to REDD+</td>
</tr>
<tr>
<td>COP-15</td>
<td>2009</td>
<td>Copenhagen</td>
<td>the need to incentivise related activities through the establishment of a REDD+ mechanism</td>
</tr>
<tr>
<td>COP-16</td>
<td>2010</td>
<td>Cancun</td>
<td>adoption of decision related to REDD+ taken in COP-9 Copenhagen</td>
</tr>
<tr>
<td>COP-17</td>
<td>2011</td>
<td>Durban</td>
<td>addressed issues related to financing options, safeguards and reference levels</td>
</tr>
<tr>
<td>COP-18</td>
<td>2012</td>
<td>Doha</td>
<td>addressed issues related to measurement, reporting and verification (MRV) and REDD+ financing</td>
</tr>
<tr>
<td>COP-19</td>
<td>2013</td>
<td>Warsaw</td>
<td>adoption of ‘Warsaw Framework for REDD+’ and the ‘REDD+ Rulebook’</td>
</tr>
<tr>
<td>COP-20</td>
<td>2014</td>
<td>Lima</td>
<td>Lima Call for Climate Action, provides the procedure for countries to submit information on the measures they will take to combat climate change</td>
</tr>
<tr>
<td>COP-21</td>
<td>2015</td>
<td>Paris</td>
<td>Paris Agreement, reiteration of and further commitment to REDD+</td>
</tr>
</tbody>
</table>
What are UN REDD and REDD+?

• UN REDD stands for: United Nations Programme on Reducing Emissions from Deforestation and forest Degradation
• REDD+ or REDD plus or REDD-plus extends REDD by: (1) Sustainable Forest Management, (2) Conservation of Forests, and (3) Enhancement of carbon sinks
• REDD++ extend REDD+ further by Low-carbon but high biodiversity lands
• The concept of REDD+ was born during the 29th session of the Subsidiary Body for Scientific and Technological Advice (SBSTA) at COP14 in Pozan, 2008.
• REDD+ officially appears in the Convention Decisions as REDD-plus in Decision 48 of COP15; and in the AWG-LCA report from its 7th session in Copenhagen 2009, COP15 (FCCC/AWGLCA/2009/17).
Differences between REDD and REDD+

• Equal priority between reducing emissions through Deforestation and Degradation, and removals through sinks such as conservation, sustainable management of forests and enhancement of forest carbon stocks. COP-13 in Bali recognized the removal of emissions by sinks as part of REDD, but COP-14 in Pozan accepted to give both emissions and removals the same priority (REDD became REDD+).

• Long-term estimations of emission and removals should be done on a land basis instead of an activity basis since land-based approaches reflect more accurately the land’s true effect on the environment and it is more consistent with the principle of environmental integrity.

• Inclusion of the rights of Indigenous Peoples and new social and environmental safeguards.

• Introduction of concepts around financial mechanisms and equitable distribution of funds.
Arguments for UN REDD and REDD+

- Forests cover a total of 4 billion hectares worldwide, equivalent to 31% of the total land area, but the world’s forests are disappearing, a net loss of 8.3 million hectares per year between 1990 and 2000, and the following decade, up to 2010, there was a net loss of 6.2 million hectares per year. Although the rate of loss has slowed, it remains very high, with the vast majority occurring in tropical regions.

- Global estimates of numbers of forest-dwelling and forest-dependent peoples vary widely, however the World Bank states that forest resources contribute directly to the livelihoods of 90% of the 1.2 billion people living in abject poverty. Of these, there are an estimated 500 million forest dependent people, 200 million of whom are indigenous peoples. Forests support the livelihoods of local communities who depend on forests not only for food, but for fuel, fodder for livestock, medicine and shelter.

- Forests provide essential ecosystem services beyond carbon storage and emissions offsetting – such as health (through disease regulation), livelihoods (providing jobs and local employment), water (watershed protection, water flow regulation, rainfall generation), food, nutrient cycling and climate security. Protecting tropical forests therefore not only has a double-cooling effect, by reducing carbon emissions and maintaining high levels of evaporation from the canopy (4), but also is vital for the continued provision of essential life-sustaining services.

- Degradation and deforestation of the world’s tropical forests are cumulatively responsible for about 10% of net global carbon emissions. Therefore, tackling the destruction of tropical forests is core to any concerted effort to combat climate change.
• REDD (reducing emissions from deforestation and forest degradation) incentivises a break from historic trends of increasing deforestation rates and greenhouse gases emissions. It is a framework through which developing countries are rewarded financially for any emissions reductions achieved associated with a decrease in the conversion of forests to alternate land uses (10).

• REDD was first and foremost focused on reducing emissions from deforestation and forest degradation. In 2007, the Bali Action Plan, formulated at the thirteenth session of the Conference of the Parties (COP-13) to the UNFCCC, stated that a comprehensive approach to mitigating climate change should include “[p]olicy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries”.

• A year later, this was further elaborated on as the role of conservation, sustainable management of forests and enhancement of forest carbon stocks was upgraded so as to receive the same emphasis as avoided emissions from deforestation and forest degradation.
Global GHG sources by sector:

- Agriculture: 13.5%
- Energy supply: 25.9%
- Forestry: 17.4%
- Industry: 19.4%
- Residential and commercial buildings: 7.9%
- Transportation: 13.1%
- Waste and wastewater: 2.8%
Land-use and Land-use Change and Forestry (LULUCF) makes a huge difference in maps of relative CO$_2$ emissions.
Indonesian Tropical Rainforest

- Indonesia has the third largest area of tropical rainforest on the planet, with 68% of its landmass - equivalent to 131.3 million ha - covered by forests (Ministry of Forestry, 2012).
- Deforestation rates in Indonesia are high, with current rates estimated at 1.17 million hectares per year (Government of Indonesia and UNREDD, 2009).
- A 2010 report suggests that 85% of Indonesia’s greenhouse gas (GHG) emissions stem from land use activities; with 37% due to deforestation and 27% due to peat fires (National Council on Climate Change, 2010).
Figure 1: FIRE ALERTS HIGHLY CONCENTRATED IN RIAU PROVINCE, INDONESIA
March 18, 2013 – March 17, 2014

Fire alerts by districts, Indonesia
March 18, 2013-March 17, 2014

- 100-200 alerts
- 201-500 alerts
- 501-1000 alerts
- 1001-1500 alerts
- 1501-2000 alerts
- Over 2000 alerts

www.globalforestwatch.org

WORLD RESOURCES INSTITUTE
Satellite-based active fire detections over Indonesia (2003-2015)

- 2015
- Other years

96937 active fire detections until 15 October
Tropical Rainforest and GHG Emission in Indonesia

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Primary Causes of Deforestation in Indonesia

- Over the last 20 years deforestation has been driven predominantly by agricultural expansion, especially of oil palm plantation monocultures
- Illegal logging continues to be a major cause of deforestation, with the United Nations Environment Programme (UNEP) estimating that it costs the country an estimated USD$ 3 million a year in lost revenues
- Other drivers of deforestation include smallholder shifting cultivation and subsistence agriculture, mining, logging, aquaculture and forest fires; both natural and human induced to clear land for other uses
Indonesian Tree Cover Loss and Intact Forest: 2005 and 2010
Steps taken to tackle climate change and environmental issues

- In 2009, the Government pledged to cut its greenhouse gas (GHG) emissions by 26% unilaterally and by 41% with international support by 2020.
- The Government also enacted a National Action Plan Addressing Climate Change and has included the rehabilitation of forests as one of the priorities in its National Medium-Term Development Plan 2010-2014.
- A number of laws that will help facilitate REDD+ have been put in place, including a law for guidance on REDD+ pilot projects (Ministerial Decree P68/2008), a law that outlines mechanisms for reducing emissions from deforestation and degradation (Ministerial Decree P30/2009), and in April 2012, Ministerial Regulation P20/2012, which gives the basic principles and criteria for demonstration activities, and the rights and obligations of forest carbon project proponents.
Indonesia enters REDD+

- In September 2011 a new REDD Task Force was appointed by President Susilo Bambang Yudhoyono (Presidential decree no. 25/2011). The Task Force is responsible for the establishment of REDD+ financing mechanisms; the preparation of Measurement, Reporting and Verification (MRV) institutions and the effective implementation of the moratorium. It is organised in ten thematic working groups, each headed by senior government officials and experts in their field.

- Indonesia is a member of the UN-REDD Programme and the Forest Carbon Partnership Facility (FCPF), both of which support national level REDD+ planning and implementation. In March 2009, USD$ 5.6 million in funding was approved by the UN-REDD programme policy board for the Indonesia National Programme and in March 2010 funds were released from UN-REDD’s Multi-Partner Trust Fund, marking the start of the programme’s inception and implementation phase. Phase I of Indonesia’s UN-REDD Programme was closed in October 2012.

- June 2009: The Government submitted a Readiness Preparation Proposal (R-PP) to the FPCF Participant’s Committee.
Moving forward into REDD+

- January 2011: a grant of USD$ 225,000 was approved under Indonesia’s Forest Investment Program (FIP)
- June 2011: a readiness grant for USD$ 3.6 million was signed to support the readiness process, determine reference emission levels, develop measurement, reporting and verification (MRV) infrastructure and support capacity building between 2011 and 2013
- September 2012: the National REDD+ Strategy was launched by the REDD+ Task Force, following an extensive stakeholder consultation process. The strategy is a non-binding document that acts as a work plan for REDD+ to proceed under in Indonesia. As part of the ongoing efforts led by the REDD+ Task Force, a joint Secretariat (Sekreatariat Bersama; Sekber) was launched in the Task Force’s first official REDD+ Pilot Province, Central Kalimantan. Sekber serves to coordinate the joint REDD+ initiatives of the Task Force and the Regional Commission (KOMDA).
Presidential Decree No. 16, 2015 (pdf file 108 kB, in Bahasa Indonesia), which came into effect on 23 January 2015, revokes and declares invalid Presidential Decree No. 62, 2013, which created the REDD+ Agency as the world’s first Cabinet level REDD institution.

Indonesia’s National Council on Climate Change will also be closed down and absorbed by the Ministry for Environment and Forestry. Both the REDD+ Agency and the NCCC will become part of a Directorate General of Climate Change.
What has been achieved so far?

- Indonesian authorities – both national and local - are largely positive to REDD. The LoI with Norway has given leverage to the idea of REDD+ in government
- REDD+ implementation is progressing, although very slow
- REDD+ and the focus on tenure rights has become part of a wider process of democratization
• Up to 2012, Indonesia has more than 60 REDD+ activities that are either active or in the preparation phase.
• The activities range from support of REDD policy development at the national level to large-scale provincial demonstration projects and local capacity building efforts.
... but in the field

- Complex and multiple categories of forests with often overlapping claims create confusion
- Conflict of interest between different public agencies in regions earmarked for REDD+
- Uncertainty remains on how carbon rights will be managed and payment distributed
- Based on previous experience with development projects, local communities are skeptical to REDD+
- REDD-projects are in direct competition with agro-industry, which is also supported by the government and central to national development plans
- There is opposition to REDD+ from business-as-usual interests, especially mining and oil palm
Four years after implementing REDD+

Tree cover loss keeps increasing in an alarming rate, especially in Sumatera and Kalimantan
Four years after implementing REDD+

Tree and Oil Palm Plantations, 2015

Tree and oil palm plantation areas keep enlarging, taking over tropical rainforest areas, especially in Sumatera and Kalimantan.
... and impacts to local communities

- Introduction of REDD Readiness in an area gives grounds for conflict between different local interest groups in the communities.
- In spite of the requirements for Free Prior and Informed Consent, this procedure has rarely been followed, causing confusion and ambivalence to REDD+ among local people.
- Very few REDD-projects with concrete results for forest-dependent communities have been instigated.
- Rights of local people have become of central concern because of unclear tenure rights and overlapping land claims.
- Despite NGO claims to represent local communities to donors and international civil society, local people express ambivalence about NGOs’ legitimacy and activities.
Is something wrong?

- Environmental Investigation Agency, a UK based NGO, notes that Indonesia’s REDD+ National Strategy emphasises the need to use administrative, civil and criminal laws to address “improper issuance of permits”.
- In August 2014, the head of Indonesia’s REDD+ Agency, Heru Prasetyu announced an audit of 18 companies to check that their concessions were properly licensed. But he admitted that this was only addressing a small part of the problem.
Kalimantan Forest and Climate Partnership (KFCP): A Sunken REDD flagship

• The Kalimantan Forest and Climate Partnership (KFCP) was launched in 2007 as the largest REDD-project announced in Indonesia, and the main demonstration activity of the Indonesia-Australia Forest Partnership. KFCP was a high profile REDD-project designed to pave the way for REDD+ in Indonesia. KFCP was ambitious in scope, and had a huge budget. It was proclaimed to be a REDD+ flagship project.

• The project was planned to cover 120,000 hectares of mainly deforested or degraded areas in the area developed as a part of Suharto’s Mega Rice Project in the Kapuas regency, and it enlisted the help of several civil society actors with experience from the area such as Borneo Orangutan Survival and CARE.

• However, in addition to political opposition in Australia, the project was criticized from the beginning in Indonesia by journalists, researchers and NGOs for not being transparent, in spite of the many who were interested in learning from their experiences.
The fear of losing land or access to areas important for existing livelihoods of local people dominated discussions about KFCP in the villages included in the project since a central component of the project was to block the canals created to drain the soil for the Mega-Rice Project, canals which had since become crucial for local infrastructure.

Since the Mega-Rice Project, Kapuas became an important site for NGOs political struggle for community rights and decentralization.

In 2012 an open letter was published from 14 Kapuas indigenous leaders to the Central Kalimantan Governor, criticising KFCP for repeatedly not respecting the principle of free prior and informed consent, lack of transparency and information about benefits, while simultaneously ignoring the trespasses of neighbouring palm oil plantations encroaching on their land.

In 2013 KFCP was discontinued and the management of part of the project was taken over by World Bank during a one year scaling down period. Commentators claimed that the project had failed to make a meaningful environmental impact, and in addition to large delays in the plan the objectives had repeatedly been scaled down.
Current challenges

• Enormous tasks to resolve basic property rights and clarify forest boundaries: only around 10% of forest areas has been gazetted, leading to multiple interpretations of the remaining areas’ legal status.

• Protecting the rights of forest-dependent communities and vulnerable groups: risks that customary rights will not be respected, communities may get locked in to unfavourable legal agreements (unaware that they may be subject to low returns, legal obligations, penalties and high technical requirements), double standards being applied (as community rights are restricted to subsistence use while rights for commercial extraction continue to be awarded to outsiders from the private sector and local or national government elites), the concentration of REDD+ incentives in particular areas may create perverse effects such as increased immigration and agrarian conflicts.
• **Multiple interpretations of legal frameworks by vested interest groups at national and sub-national levels:** The legal framework under which forestry activities operate encompasses both specific, sectoral laws and regulations and more general, cross-cutting legislation.

• **Delays in issuing implementing regulations:** Delays in drafting and issuing such instruments creates a ‘vacuum’ in regulation that may hampers REDD+ implementation.

• **Sectoral focus:** Sectoral laws and regulations often do not refer to laws and regulations beyond their sector, despite their relevance, resulting in the severe and continuing problem of lack of coordination between relevant ministries, presenting an important challenge because some of these sectors play a major role in deforestation-related activities.
• **Decentralisation process and local governance**: uncertainty that stems from the inconsistent and narrowly focused decentralisation has caused
  ✓ regional authorities often issuing local regulations that conflict with higher level policies and laws,
  ✓ decision-making powers in the regions and the quest for locally generated revenues that indiscriminate licensing to extract natural resources and inappropriate forest conversion,
  ✓ local government electoral systems that have been associated with corrupt and unsustainable natural resource management practices,
  ✓ weak local governments characterised by non-transparent decision making processes, incidences of corruption involving local leaders, poor law enforcement and ineffective accountability mechanisms.

• **Challenges in implementing the forest moratorium**: Presidential Instruction No. 10/2011, announcing a moratorium on forest permits, was issued on 20 May 2011, but, 11 days after the moratorium took effect, the Ministry of Forestry issued Ministerial Decree SK. 292/Menhut II/2011 which changed the status of almost 1.2 million ha of state forest in Central Kalimantan into non-forestland.
Concluding notes

• Many important steps has happened since the Kyoto Protocol and Bali Action Plan, among others those related to REDD and REDD+

• Opinions toward REDD and UNREDD+ have been mixed since their inception, but most NGOs and civil society organisations questions their scientific and ethical backgrounds

• Indonesia has adopted REDD and REDD+ since around 2010, but in line with the current government policy, institutions related to REDD and REDD+ have been merged under the MEF, causing uncertainties with respect to the future of REDD+ in Indonesia

• Considering a very short experience in Implementing REDD+, it is unclear whether REDD+ will or will not benefit tropical rainforest in Indonesia, despite negative issues that have emerged

• A number of challenges have to be addressed in order to make it clear about the positive and negative impacts of REDD+ to the tropical rainforest and its role in reducing GHG emission in Indonesia
Key References


Important Links

- Carcon Trade Watch: http://www.carbontradewatch.org/
- Ecosystem Marketplace: http://www.ecosystemmarketplace.com/
- Global Forest Watch: http://www.globalforestwatch.org/
- MENLHK: http://www.menlhk.go.id/
- REDD-Indonesia: http://redd-indonesia.org/
- The REDD Desk Indonesia: http://theredddesk.org/countries/indonesia
- UNFCCC: http://newsroom.unfccc.int/